

DATE: 5/15/24 FILE NO: DATE611
TO: Cherokee County Council
SUBJECT: Minutes of Budget Workshop Monday, 5/13/24

There was a Budget Workshop of County Council Monday, 5/13/24, 5:20 PM in Council Chambers. Chairman Spencer presided and lead in prayer. All council members were present except Lyman Dawkins. Administrator Merv Bishop, Asst. Admin. Amanda Walker, Interim Finance Director Johnny Leazer and Master Clerk Doris Pearson were present. The news media was informed by agenda and it was posted in accordance with the SCFOIA. One news media was present along with 4+ visitors.

Councilman Quay Little made the motion to adopt the agenda of the Budget Workshop of 5/13/24 as received and posted in accordance with the SCFOIA. David Smith seconded and council voted in favor.

Judicial Service Committee Chair Billy Blanton made the motion coming from the committee to award Bid No. 2024-06 Transfer Court Update to McDaniel Construction Co. for their low bid of \$28,946. David Smith seconded and council voted in favor. Councilman Tracy McDaniel recused himself from voting due to conflict of interest.

Judicial Service Committee Chair Billy Blanton made the motion coming from the committee to award Bid No. 2024-10 Mitigation & Reconstruction of A, B & E Units Bathroom Ceilings at the Detention Center to Gilman Restoration, LLC for their bid of \$41,169.22. \$40,000 will be paid from the capital budget account and \$1,169.22 will be paid from the contingency account. David Smith seconded and council voted in favor.

Chairman Tim Spencer recognized Administrator Merv Bishop to present his 2024/25 Proposed Fiscal year Budget.

Administrator Merv Bishop reported that back in Jan. we passed out budget packets to our departments and asked that they be turned back in to us 2/16/24; once we got them back, Amanda & I began reviewing & compiling them. Mid-March we received proposed assessment values from the County Assessor & Auditor for local revenue projections. Tonight, I present to you our proposed 24/25 FYB with several recommendations. My introduction letter is in the front of your notebook with attached operating budget summary for the General Fund, Capital Fund and 911 Tariff Fund. I also attached a list of all personnel requests from each department in summary form. Salary & fringe make up approximately 62% of our budget. The budget is currently balanced at \$35,570,131.00 with no tax increase; no American Rescue Money is calculated in this year's budget; no longevity pay program for our employees, no state retirement contribution increase; and no cost-of-living increase for our employees. The budget does include 11.8% employer health insurance premium increase totaling \$133,456.41 and funding for SCC/CCC Rufus Foster Scholarship in the amount of \$100,000. One of our main objectives is how can we show our employees we value them. County council agreed that the employees should be the biggest focuses in this year's budget. This was a major project of trying to

write a balanced budget and stay within our means. We had several projects that we started that had to be included in this year's budget such as the Animal Shelter, the State Agency complex, Coroner's Office space, an 11.89% health insurance increase for our employees; our Detention Center; Dept. of Public Works, etc. Revenues came in at \$35,570,131; FILOT - \$1.3 million; LOST was up; property taxes increased a little; as well as fines & misc. fees. It will take 78.6 mils to balance our proposed budget and the milage rate has gone up. Our proposed budget is about 62% salaries/fringes and 38% operating cost. **Tab 5** in your workbook is a breakdown of Dept. budget's. We had an increase with our software to upgrade our iWork's program for R&B. We are planning sometime in Sept. 2024, to have an Employee Appreciation Day. Legal Expenses are all lawsuits that we are currently going through. Our Fiscal Year Audit has increased by \$80,000. Salaries & benefits have increased. Contingencies, state obligations, contract services, EMS Building is at 6 months for this budget & has increased from last year. We need to upgrade our QS1 Software. We have matching grants; one being with the City of Gaffney on the Revolutionary War Museum is at \$100,000. Our new facilities: State Agency Complex, Alma/E911; County Buildings, our security has gone up; maintenance will increase; utilities increased; DTC has increased in postage; Building Safety/Zoning. Probate Court contract services increased. Circuit Solicitor – we added for our Transfer Court. Temp salaries, housekeeping, building & Animal Shelter grass main., utilities. Our Tariff monies have been cut; \$294,000 of these monies was put back into our special revenues; our limit this year will be \$432,000. We will still receive our Tariff Monies but we will have to add those salaries back onto our operating account. Vehicle Main and 3 other major items were cut last year around \$40,000 and we put that back in this budget request. Inmate bedding & clothing has increased; food services are contracted out; utilities continue to increase. Emergency Management has increased salary & benefits. We still have a lease with Peachtree so this budget will be included from July to December 2024. Increase for our Senior Citizens Account; increase for Mental Health. Solid Waste continues to increase; our tires; vehicle maintenance; equipment main. took a big increase this year. **Capital Project Requests: Section 7** of your budget notebook: there are a lot of needs for our county departments to run efficiently. Our request is \$4.6 million. In your book is a list of what was asked for and what was proposed by Admin. **Depts:** Administration – 5 yrs. ago county entered into a lease agreement with Enterprise and the balance for that is \$39,736.45. Including the Sheriff needs and our SWC trucks – we need to purchase 8 additional vehicles. If we were to purchase those vehicles, we would be looking at around \$280,000 to \$300,000 but if we go with Enterprise, it will cost \$78,138.24. Communications – 20% the county will need to fund and 8% will be refunded by Tariff monies. Coroner requested a new vehicle and that is included in the 8 lease vehicles from Enterprise. Courthouse – install LED lights for Family Court & lobby and replace 3 RTU's & boilers. Defender Office requested a desktop & laptop computer. Detention Center – lock replacement & maintenance; bunk beds & installation. This doesn't render the overcrowding but gets inmates off the floor. E911 – upgrades, replace carpet in radio room and a new vehicle. Emergency MGMT – purchase radios, a new metal building and 2 carports. IT – replace & install CISCO 9200 & 9300 switches. Judicial – request new banker's chair; C&D Landfil – new vehicle and chain link fence; Law Enforcement Center – new table & chairs for the training room; vinyl tile in work areas; HVAC controls; expansion of evidence storage room; & roof replacement. Recycling – new skid steer loader; R&B – bush hog grapple loader; dump truck & bushhog cutter. Sheriff –

bulletproof vests; tasers & supplies; arrest card scanning; body camera storage; patrol vehicles. SWC – 2025 Freightliner Heil Packer; 95-gallon roll carts. TAO – PubliqQ Software. Voter Registration – election thumb drives. Water Conversation - \$7500. Thicketty Creek – dam maintenance - \$12,000. **Capital project millage** if these requests are granted will be 5.2 mills; value of a mil is \$232,655; for a total of \$1,209,806; FILOT will come in at \$350,000 to a total of \$1,559,806 + interest earned at 29% \$600,000 = 29% capital improvements funds of \$1,395,06864 for a grand total of \$3,554,874.64. My new salary request will be \$1.4 million not including fringe benefits. This does into include Fire Districts. Your outside agencies are: ADA, Mental Health, COG, DHEC, DSS, Literacy Asst., Seniors Center, Soil & Water Conservation, Thicketty Creek, Library, SCC, Recreation Dist., Clemson Ext., etc. CHAPS gave us their budget late (Friday) and they are not included. They are requesting \$100,000. DHEC forgot to budget their insurance so that will need to be added. Library requested 3.9 mills to operate.

Administrator Merv Bishop express his concern for our employees. We want to be able to keep them and therefore we need to offer more money, more benefits, etc. **I proposed the following:** **1)** all full-time employees will receive 2 additional floating holidays per fiscal year in addition to what they are receiving now (13); **2)** I request council incur the cost of employee only health insurance coverage which would save each county employee \$1,172.16/yr.; **3)** I also request a \$1.00/hr. increase for all county employees; and **4)** to cease Section 16 of the County Code of Ordinances regarding Longevity and replace it with my attached formula. All this would probably cost around \$1.4 million. Council all agreed that our county employees should be one of our biggest focuses and discussed a \$2/hour across the board for county employees. Councilman McDaniel asked what is our budget shortfall if we go up to giving our employees \$2/hr. across the board and the other recommendations you had for our employees? Merv replied the \$1/hr. was at \$1.5 million and when you add \$2/hr. and approve my recommendations it will go up to \$2.3 million. Your budget is balanced now without my recommendations. Tracy replied so we will need to raise \$2.2 million to include these; 10 mils. Our max is 13 mills. Tim asked if you went up 10 mills on a \$100,000 home, how much would that be? Merv replied \$4/mil. Tracy asked, “did you add any new employees? Merv replied I added two: 1 for animal shelter and 1 for zoning in the Building Safety Dept. Bill Blanton asked will we see any increase in revenues with all these new houses being built? Merv said we will but when they do the reassessment, we will see a big increase. We have included that in our tax revenues budget this year. The building market has slowed down some; at the Yellow Mall and another one. Quay replied I heard Leadmine has come to a halt. Tracy McDaniel asked so you have included everything – expense for the Animal Shelter; new county building, EMD, etc.? Merv replied yes, we actually met on that 3 times to make sure we included everything. The only budget request that I did not have in my proposed budget was the \$100,000 from CHAPS. They receive funds from our Hospitality Tax as well. Cherokee Co. Recreation Dept. wants to increase their milage to 5.5 mills. SCC is 2.5 mills. Our capital projects is 5.2 mills; our bond is 4.7 mills; Recreation is 3.8 mills; Library is 3.9 mills.

Administrator Merv Bishop asked council if they have a recommendation of what to bring back to them for 1st Reading? Quay Little replied bring back your balanced budget that you presented to us.

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Tracy McDaniel replied bring us figures of how much your recommendations will cost and how you will fund it as well giving us new budget figures.

As there was no other business to come before council at this time, Chairman Spencer adjourned the meeting at 6:35 pm.

APPROVED: **5/20/24**

Respectfully submitted,

BY ITS CHAIR: **Tim Spencer**

Doris F. Pearson, Master Clerk to Council